

Giving the Unrecognized Their Due: Regional Actors, International Institutions, and Multilateral Economic Cooperation in Northeast Asia

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There has been a surge of interest in the way domestic and international variables act together to produce outcomes (Evans, Jacobson, and Putnam 1993; Putnam 1988). The Tumen River Area Development Programme (TRADP), a multinational economic development initiative for the Tumen River area at the tri-juncture of the Chinese, Russian, and North Korean borders, represents an important but poorly known case resulting from the interaction of domestic and international factors. It presents a puzzle for extant approaches in two ways. First, the TRADP has made meaningful progress since it appeared on the international agenda in 1990.¹ This progress has occurred despite the fact that decision makers in the participating state capitals have given it only modest levels of political, financial, and legal support.² Second, Moscow backs the project because it wants to exploit the resources of the Russian Far East, improve the area's economy and infrastructure, and tap into Asia-Pacific money, markets, and economic institutions. In addition, it wants to facilitate control over the restive Russian Far East and gain political clout in the Asia-Pacific (Korkunov 1994, 38–42; Christoffersen 1994–95, 516–17; Ivanov 1995; Institute of Far Eastern Studies 1995, 41–42; Toloraya 1996; Portyakov 1998, 58–59). Yet it is Russia that has served as one of the primary obstacles to the continued advancement of the TRADP.

To get out of this analytical morass, we must go beyond the state centrism and unitary actor assumption of existing approaches.³ Specifically, we must consider the role of nonstate actors like the United Nations Development Programme (UNDP) and subnational actors like the Province of Jilin in China and Primorskii Kray (territory) in Russia. My case study shows that Jilin and Primorskii played important roles in the dynamics of the TRADP. Specifically, Jilin acted as a

policy initiator, facilitator, and implementor by supporting multilateral economic cooperation with studies, publicity, the construction of infrastructure geared to regional economic interactions, and participation in TRADP promotional activities. Primorskii, on the other hand, took advantage of its role as a policy implementor to establish real limits to the development of the TRADP. It not only challenged the Sino-Russian 1991 boundary agreement but also placed obstacles such as visa restrictions in the way of Chinese who wanted to transact business with the Russians. My case study further reveals that the UNDP acted as a policy facilitator and implementor by providing expert advice, facilitating negotiations and discussions, and contributing funds.

Overall, my analysis provides evidence for the argument that contracting and persuasion represent important channels of influence between international and domestic institutions. My work makes a novel theoretical contribution by specifying the conditions under which subnational actors and international institutions may play a prominent role in multilateral economic cooperation. It highlights that a facilitating domestic structure and borderland status can create the space and/or incentives for subnational actors and international institutions to get involved in foreign affairs. My work, then, tackles the question posed in the introduction to this book about the conditions that produce variation in the interaction of domestic and international institutions. This theoretical contribution differentiates my work from other detailed studies of the TRADP that take into account subnational actors (Burns 1994; Christoffersen 1994–95, 1996a).⁴

This chapter is divided into four sections. The first section specifies how subnational actors and international institutions can matter, particularly how they can fuel international economic cooperation. It also offers a theoretical framework to explain *when* such entities are likely to assume heightened salience. Filling in this theoretical framework, the second section describes the international context in Northeast Asia as well as the domestic context in both China and Russia. The third section presents the case study. It details how Jilin and the UNDP acted as policy initiators, facilitators, and implementors for the TRADP. It also examines Russia's involvement in the TRADP to explain why that country impeded its progress. A close analysis reveals that the key policy obstructionist was Primorskii, a borderland. The final section offers my interpretation of the case and a discussion of the implications of my findings for international relations theorists.

Theoretical Thoughts on Subnational Actors and International Institutions

As noted in the introduction to this volume, two-level game studies of the interaction of domestic and international institutions are flawed because they are state centric, assume the state is a unitary actor, and take an overly narrow view of international institutions. To rectify these shortcomings, it is necessary to go beyond the usual cast of domestic actors (for example, bureaucracies and societal interest groups) to paint a comprehensive portrait of the forces impinging upon a given state's foreign security and economic policies and relationships. In particular, it may be appropriate to study the activities of subnational actors such as states, provinces, or local governments.⁵ To illustrate, in the 1960s, educational and cultural agreements between Quebec and France spurred political conflicts between France and Canada (Soldatos 1990, 49). It also may be necessary to place greater stress on international institutions, though international relations specialists often fail to do this (Karns and Mingst 1987, 457; Milner 1998, 779). After all, such institutions can change policy concepts, legitimize particular policies, and bring new participants into debates about national policy (Jacobson and Oksenberg 1990).

How Do Subnational Actors and International Institutions Matter?

Subnational entities and international institutions, as agents, can affect policy-making in five ways: (1) interest and policy formulation; (2) agenda setting; (3) agreement development, amendment, and ratification; (4) coalition building; and (5) implementation (Keohane and Nye 1974, 45–46; Jacobson 1984; Karns and Mingst 1987, 460–67; Kahler 1993, 376–77; Risse-Kappen, ed., 1995, 283; Martin and Simmons 1998, 742–47).⁶ Many of these influence mechanisms closely relate to the policy initiator and ratifier roles highlighted in the introduction to this volume.⁷

First, subnational actors and international institutions can shape understandings of the national interests through the production of expert knowledge, the shifting of the relative priority of issues, and the declaration or affirmation of international norms.⁸ According to one analysis, the Economic Commission for Latin America provided a foundation for regional economic integration in the area by articulating interest in the idea of integration to solve the region's economic

development problems and by providing an intellectual basis for integration (Gregg 1968, 313–18).

Second, they can influence the international or domestic foreign policy agenda. In 1963, Swiss authorities in Basel put the idea of regional development of the Upper Rhine region (at the tri-juncture of the Swiss, French, and German borders) on the international agenda by establishing the *Regio Basiliensis*, a regional planning advocacy organization that generated analyses of regional development and promoted networking among interested parties (Scott 1989, 144, 150–51).

Third, they can affect the game of international agreement development, amendment, and ratification. The German *Länder*, for instance, through the forum of the *Bundesrat*, “deliberate on the whole range of EC [European Community] policy issues presented to the Council of Ministers . . . [and] adopt resolutions on specific problems of European policy.” In addition, the German federal government must “take into account in the Brussels negotiations the *Bundesrat*’s position or . . . include it in its policy decisions” (Nass 1989, 176–78). Finally, the German *Bundesbank* clearly was a veto player in the negotiations surrounding the European Monetary Union and the creation of a European Central Bank (Cameron 1995).

Fourth, they can build coalitions with other domestic or international actors. In 1961, for instance, American and Canadian weather bureau officials joined together to defeat the U.S. Department of State’s position on control of World Weather Watch. In the late 1960s, a U.S. Department of Defense official worked with his Japanese counterpart to write messages that would trigger the desired response in the U.S. bureaucracy regarding the return of Okinawa to Japanese control (Keohane and Nye 1974, 47–48). Soviet arms control experts worked closely with their counterparts in the United States to legitimize certain nuclear doctrines (Adler 1992, 133–39).

Fifth, they can have a significant role in the implementation of international accords or a nation’s foreign policy. In 1996, for example, the governor of Okinawa prefecture in Japan obstructed the implementation of the terms of the U.S.-Japanese Security Treaty when he refused to renew the land leases underlying American bases on Okinawa. Furthermore, he injected strains into the relationship by supporting a referendum calling for a change in the Status of Forces Agreement governing the legal treatment of American soldiers stationed on Okinawa (Mochizuki 1996, 4–6; Miyagi 1996; Eldridge 1997). In the 1980s, Canadian provinces and American states regularly passed legislation that favored domestic over foreign producers

and investors, thereby contravening the letter and spirit of GATT, to which their respective national governments were parties (Duchacek 1990, 11).

Focusing on multilateral economic cooperation, the preceding discussion implies that subnational actors and international institutions can improve the prospects for multilateral cooperation in a number of specific ways. For instance, by providing information on the international political, economic, or social environment, these entities can alert decision makers to the need for action. Alternatively, they can educate policy makers about the benefits of a multilateral as opposed to a unilateral policy solution. Furthermore, they can increase the likelihood of multilateral economic cooperation by building coalitions with other domestic or international actors and, as a result, expand the range of international agreements that are acceptable domestically.⁹ Finally, they can nurture cooperation by passing legislation or expending funds to support such activities.

The preceding discussion, however, also suggests that subnational actors and international institutions have the capacity to diminish the chances for multilateral economic cooperation. One obvious way they can do so is by hindering the implementation of an international accord, for instance, by establishing protectionist barriers when an international agreement calls for liberalization measures. In addition, they can form coalitions that present an insurmountable barrier to the ratification of a multinational agreement and hence international negotiations before they have concluded. Moreover, such entities can put items on the international agenda that inject friction into the relationship of the parties attempting to finalize or implement a multilateral agreement.

When Do Subnational Actors and International Institutions Matter?

Although the preceding discussion shows how subnational actors and international institutions can influence the prospects for multilateral economic cooperation, it does not inform us when they matter. There are a number of authors who have tried to specify when subnational actors and international institutions matter (Karns and Mingst 1987, 458–60; Soldatos 1990, 44–48). These theorists, though, tend to offer too many explanatory variables, fail to apply these variables to particular cases in a systematic fashion, and do not draw extensively on the extant international relations literature. Drawing upon this literature,

I emphasize two domestic contextual variables¹⁰ that increase the chances for subnational and nonstate actors to play a meaningful role in the dynamics of multilateral cooperation: a facilitating domestic structure and subnational unit characteristics.¹¹ Domestic structure will empower subnational units and international institutions when there is a federal state structure, when political ideologies stress decentralization, or when the center has little material leverage over subnational units. Subnational units are more likely to shape transborder cooperation when they are borderlands. Borderland status gives such actors not only an incentive to become involved in such ventures but due to their location, an important implementation role as well.

Domestic structure is stressed in two-level game studies (Putnam 1988, 448–50; Moravcsik 1993, 24–27), recent examinations of transnational relations (Risse-Kappen 1995a, 6), analyses of foreign economic policy (Eichengreen 1992; Evangelista 1997), and peacemaking after war (Ripsman 2002). Domestic structure is important because it determines the actors that get to play a role in policy initiation, ratification, and implementation (Milner 1997, 18). It also can provide opportunities for subnational units to act outside the boundaries of the state and to form coalitions with other subnational units or nonstate actors (Keohane and Nye 1974, 48). Finally, it mediates between the international environment (whether international security threats or pressures from nongovernmental institutions) and the domestic realm, determining in part how and if such influences are felt.

Although domestic structure is extensively used as a variable in the international relations literature, there is no commonly accepted definition of the term. For Milner (1997, 37–42), domestic structure consists of the political system (for example, presidential versus parliamentary), the number of political parties (for example, two party or multiparty), and norms such as party discipline. Thomas Risse-Kappen (1995a, 20–23) highlights the political institutions of the state (for example, centralized or fragmented), societal structures (for example, extent of societal cleavages), and policy networks that link the two. Norrin Ripsman (2002, chap. 3) argues that domestic structure is determined by the political system, the number of parties in the majority, the frequency of elections, the concentration of executive power, decision-making procedures, and the normative environment. What is important for our purposes is that these, as well as other, definitions emphasize a mix of formal and informal factors in their conceptualizations of domestic structure.

Informal factors are especially salient in the case of subnational units, since, as Ivo Duchacek (1970, 277) notes, there is an “extra-constitutional reality” that researchers need to consider. This extraconstitutional reality, though, goes beyond norms and decision-making procedures. It also relates to political relationships (for example, does the center have financial or political leverage over the subnational unit or vice versa?), political ideologies (for example, does the party in power favor centralization or decentralization?), and roles envisioned for the state (for example, should economic planning be centralized?) (ibid., 279, 311, 324–29). This extraconstitutional reality is reflected in the fact that subnational units in the United States had the ability to ban investments in South Africa, restrict foreign investment, and discriminate against foreign suppliers because it was not worth the political cost to reassert control. It had nothing to do with constitutional rights (Fry 1990, 280–81).

Generally speaking, a decentralized domestic structure, either *de jure* or *de facto*, empowers subnational actors because it often gives them the ability to interact with a variety of entities outside the state. In addition, it provides them with opportunities to build coalitions with other groups inside the state. Furthermore, it frequently vests subnational actors with the authority to initiate policies different from those desired or supported by the center. Moreover, it permits subnational actors to implement policies without heavy supervision or regulation. Finally, it affords them some leverage over the center since the center may need them as a partner against other domestic actors.

Subnational units have a variety of political, economic, and social characteristics, though one of the most important for understanding the potential for a subnational unit to get involved in international issues is whether it is a borderland.¹² Borderland status means that foreign ideas, institutions, and economic and cultural systems continuously buffet the subnational unit, albeit in different degrees, depending, for instance, on domestic structure and the international threat environment.¹³ Borderlands often are alienated from their national center due to factors ranging from geographic distance to a history as a buffer zone along the interstate borderline (Martinez 1994, 6–12).

Representing the front line of a state, borderlands are deeply affected by cross-border migration, labor, pollution, investment, drug trafficking, and military-security issues. Hence, leaders of borderlands, particularly elected leaders, have a strong incentive to influence the foreign policy of their state (Martinez 1986, 2; Duchacek

1986, 11–12). In involving themselves in the external affairs of their state, borderland officials will be sensitive to any initiative that alters the distribution of material benefits or political power. Subnational elites will seek to maximize any increase in revenues and control the allocation of those resources so as to secure their political power. On the other hand, they will tend to oppose any policy that reduces their resource base or diminishes their relative power. At the very least, they will minimize the costs associated with such initiatives.

Borderlands will have an especially important role in relations with a neighboring state or states when they have the right to control access or play a role in the implementation of an international accord.¹⁴ For instance, the Province of Ontario in Canada has a significant role in the regulation of the flows of goods and people crossing the U.S.-Canadian border because it is in charge of fourteen international bridges linking the two countries. Furthermore, Canadian provinces have certain jurisdictional rights over energy resources within their borders, which, in effect, gives them the right to grant access to foreign investors and purchasers (Feldman and Feldman 1990).

In sum, I expect that subnational units and international institutions will assume prominent roles as initiators, ratifiers, facilitators, and implementors when, in addition to complex interdependence, there is a facilitating domestic structure and when, in the case of a subnational unit, it is a borderland. In the next section, I seek to establish whether China and Russia had facilitating domestic structures.¹⁵

The International and Domestic Context

Increasing cross-border contacts since the 1980s evidence the complex interdependence of the Northeast Asian region. The end of the Cold War and the adoption of market- and/or export-oriented economic doctrines have led to a remarkable surge in trade, investment, and cross-border exchanges contacts in the region (Zhang 1995, chap. 2; Moon 1995, 36–40). The growth in intraregional interdependence is reflected in the Sino-Russian economic relationship. China went from being Russia's seventeenth largest trading partner in 1985 to its second largest by 1993 (Moltz 1995, 157).¹⁶ Furthermore, since the early 1990s, there have been an expanded number of official and unofficial contacts among Chinese and Russian government officials as well as a rising number of scientific, educational, and cultural exchanges between the two countries.

The growth of trade and other contacts between China and Rus-

sia is further demonstrated by the opening of consulates and trade offices, the growth in Sino-Russian joint ventures, increasing Chinese investment in the Russian Far East, and the escalating importance of China as an export market for the Russian Far East, particularly Primorskii and Khabarovskii (Kim 1994, 1074; Minakir 1994, 191; Anderson 1997, 32–33; Moltz 1997, 190). The opening of the Sino-Russian border also has resulted in the presence of approximately fifty thousand to one hundred thousand Chinese in the Russian Far East on a daily basis. Many of these individuals are contract workers employed in construction or seasonal agricultural work or shuttle traders (Kim 1994, 1064–69; Portyakov 1996, 135–37).

From the founding of the People's Republic of China in 1949 until the commencement of the Cultural Revolution in 1966, the Chinese polity had a hierarchical structure as a result of the Chinese Communist Party's (CCP) tremendous power. In this hierarchical structure, bureaucrats, party functionaries, and others embraced the CCP line (once known) and implemented it zealously. The Cultural Revolution changed all that by undermining the legitimacy of the CCP and weakening the resources at its disposal (Goldstein 1991). Conscious of the need to rebuild the country after the tumult of the Cultural Revolution and to rebuild the authority of the CCP, Deng Xiaoping successfully pushed for major economic reforms after he took the reins of power (Harding 1987, chaps. 5–6; Lieberthal 1995, chap. 5). It is important that the CCP also reduced its use of ideology and coercive devices such as purges to control party and government officials (Harding 1987, chap. 7; Lieberthal 1992, 9).

These changes coupled with the relative weakness of the post-Mao leadership and the complexity and technical nature of domestic and international economic affairs, which generated a need for expertise and quick reaction, have created a more polyarchic polity, albeit one that is fundamentally authoritarian. Multiple voices, multiple command channels, and the lack of a clear division of authority among government ministries—and between government ministries and the provinces, which have the rank of a government ministry—only intensified the need for coalition building and bargaining (Zhao 1991; Lieberthal 1992, 8).

Provinces were one of the beneficiaries of Deng's economic reform program. Deng and his supporters empowered provincial leaders by giving them the authority to approve capital projects, to retain foreign currency, to control certain enterprises, and to offer tax deals to foreign ventures (Harding 1987, 167). The decentralization

of budgetary authority for revenue collection and expenditures and other economic powers to the provinces gave them the ability to earn their own funds and thus made them less sensitive to demands emanating from the center (Lieberthal 1992, 8; Lieberthal 1995, 172–74, 249–50). The empowerment of the provinces was more than an economic move. It was a move to build political support to circumvent opposition to Deng’s economic reform program in the center (Shirk 1993, chap. 9; Cheung 1998, 5). Provincial leaders also obtained power under the new regime because of their role in the implementation of the center’s dictates. To ensure that provinces implement its policies, the center often makes an effort to get the consensus of provincial officials (Lieberthal 1992, 21). This is critical since “the provincial government is often given the discretion to decide on the details and schedule of implementation” (Cheung 1998, 10). Furthermore, provinces have input into the policy process through their participation in national economic work congresses and national planning conferences (*ibid.*, 10). Finally, the center gives provincial leaders power so they can manage their provinces, a number of which approach the size of the large countries (Lieberthal 1995, 164–66).

In sum, the polyarchic nature of the polity, the economic and political reform ideologies of the center, the increased fiscal autonomy of the provinces, and the role of subnational actors—here provinces—as gatekeepers for the implementation of policy have given subnational actors such as Jilin considerable autonomy to act differently from the center’s wishes. Moreover, Jilin itself was privileged because Chinese leaders placed it at the center of their multilateral cooperative plans for the Tumen, one of many regional economic circles that China conceived of for the Asia-Pacific (Christoffersen 1996a, 269–70).¹⁷

Russia’s domestic structure also has changed drastically in the last decade. In the Soviet Union, power was “strictly controlled by the center and lay in the hands of the Communist Party” (Lynne and Novikov 1997, 189). Consequently, “republican and local governments were little more than organs of the center, which dominated the political-economic organization of the country” (*ibid.*, 190). The dissolution of the Soviet Union in 1991, however, ended this pattern and saw the emergence of a democratic successor nation, the Russian Federation. Moreover, Russia abandoned its Marxist-Leninist economic practices (for example, state ownership and central planning) in favor of economic ideologies emphasizing private ownership, free

markets, competition, the price mechanism, and reduced state expenditures (Remington 1999, 13–15).

In December 1993, the Russian people approved a new constitution that gave the president substantial powers, such as the right to appoint the prime minister, to rule by decree, and to dissolve Parliament (*ibid.*, 46–50, 52–57). This constitution also made subnational units important players in the political dynamics transpiring in the center. It did so because it created a two-chamber assembly composed of the Duma (lower house) and the Federation Council (upper house), which were made up of representatives from Russia's administrative units such as republics and krais. Under the constitution, the Federation Council has the authority to reject legislation passed by the Duma and must vote on certain bills (for example, legislation passed by the Duma, amended by the president, and subsequently accepted by the Duma). Furthermore, the Federation Council is important because it is responsible for approving higher court nominees, decrees on martial law, and "any actions altering the boundaries of territorial units in Russia." In addition, it must consider legislation concerning taxes, treaties, budget, and financial policy (*ibid.*, 50–51).

Despite this authority, provincial governors generally were beholden to the president from 1991 until 1996. First, after the August 1991 and October 1993 coups, Russian president Boris Yeltsin asserted the constitutional right to appoint and dismiss provincial governors, though the pre-1993 parliament tried to end this right. Second, he decreed in August 1991 that the president had the right to put a special representative in each region (Valliant 1997, 3–4; Kirkow 1998, 54–55; Remington 1999, 64). Third, the constitution authorized the president to suspend the acts of regional executives if they contradicted the constitution or international treaties on human and civil rights and to arbitrate between federal and regional bodies (Kirkow 1998, 4).

Weighing these facts, Peter Kirkow (*ibid.*, 46) concludes that Russia has an "asymmetric federalism" that strongly favors the center. Yet this conclusion oversimplifies a complicated political reality. It is significant that the political struggles between the president and Parliament resulted in pandering to the provinces, particularly during the critical years of 1993 (when there was a national referendum on Yeltsin's policies, a violent struggle with Parliament, and a vote on the new Russian constitution) and 1996, a presidential election year (Valliant 1997, 6–9; Remington 1999, 56). The desire for provincial support in 1996 manifested itself in a series of bilateral agreements

between center and local units beginning in 1995.¹⁸ In addition, the center tolerated the proliferation of subnational charters that established broad areas of regional, federal, and joint jurisdiction and attempted to shield the regions from federal meddling (Lynne and Novikov 1997, 199–201).

Equally important was the shift to a system of elected regional governors in 1996, which changed the incentive structures for these officials (Kirkow 1998, 46, 52). Simply stated, it became more important for governors to represent the region in the center than to represent the center in the regions (Lynne and Novikov 1997, 202). Related to this, the space created for societal interest groups by the democratization of Russia has allowed for the formation of a Union of Governors from the *krays* and *oblasts* (provinces) that lobbies Parliament and the government, thereby bypassing the president (Kirkow 1998, 4; Remington 1999, 145). Furthermore, the center lost some control over the provinces because of its diminishing financial resources, though the economic crisis in Russia made aid from the center more vital than ever.

Access or ties to the president also afford provincial leaders the ability to oppose the government or the special representatives of the president. The governor of Primorskii, Evgenii Nazdratenko, for instance, used his connections with individuals close to Yeltsin to obtain the dismissal of the presidential representative in the region, who was critical of Nazdratenko and the questionable business activities of him and his cronies.¹⁹ Nazdratenko also exploited his close ties with the heads of federal institutions in Primorskii—for example, the commanders of the regional secret service, border guards, and the Pacific Fleet—to distort the center's economic reform measures to serve his and his allies' political and economic ends (Kirkow 1998, 122–26).

Although the Russian president is relatively powerful and preeminent in foreign and military affairs, this analysis of Russia's domestic structure shows that its subnational units have the ability to affect its international relations. This capability results from the 1993 constitution (which gives subnational units a place in the Federation Council), bilateral agreements between the center and subnational units, the coalition-building activities of the president and the government, the center's weakened economic levers, and new electoral dynamics. The president and government are not oblivious to the importance of such actors. This is evidenced by the fact that the deputy heads of the local governments in the five relevant border areas were included as full members of the Russian delegation to the commis-

sion responsible for the demarcation of the Sino-Russian border pursuant to the 1991 boundary treaty (Kireev 1997, 17).

The TRADP

Proponents of the TRADP argue that countries in the Tumen River delta and surrounding areas should exploit, collectively, their comparative economic advantages to improve the Tumen River Economic Development Area (TREDA) and its associated hinterlands.²⁰ Specifically, they have highlighted the potential for the TRADP to combine Japanese and South Korean capital, managerial know-how, and technology with cheap Chinese and North Korean labor; Russian, Mongolian, and Chinese natural resources; and Chinese light industrial and Japanese and South Korean heavy industrial capacities. Tumen advocates contend that a multilateral economic venture can slash export costs by creating a land bridge into the interior of Northeast Asia and Europe as well as a point of transit through the Sea of Japan to Japan, the two Koreas, and the rest of the world.

Jilin had strong economic incentives to push for regional economic integration. Around the turn of the century, the Tumen River provided Jilin with access to not only the Siberian coast but also the Sea of Japan, from which it could reach markets in Japan and Korea. The Treaty of Beijing, signed by the Chinese and the Russians in 1860, terminated this access by granting Russia the entire Siberian coast, including the last fifteen kilometers (approximately ten miles) of the Tumen River, and by joining the Russian and Korean borders. Despite this loss of direct access, the Chinese still retained navigation rights on the river. The Soviet-Japanese conflict, though, led to the blocking of the river in 1938, and the Sino-Soviet conflict precluded any Chinese use of the river (Blanchard 1998a, chap. 4). By 1992, the Soviets had agreed to restore Chinese navigation rights. And between 1992 and 1997, the Russians agreed to transfer land to the Chinese so that they had direct access to the river.

Jilin's historical lack of access to the sea was problematic from an economic standpoint since it forced the province to use the overloaded port of Dalian in the Province of Liaoning as well as the over-taxed railway system leading to Dalian. Moreover, Jilin's lack of access to the sea precluded it from participating in China's Coastal Development Strategy with all the attendant economic benefits and privileges. Jilin's problems were compounded by the fact that it had

become a center for inefficient, state-run heavy and extractive industries (Olson and Morgan 1992, 59, 69; Cotton 1996, 1087–93).

Given these obstacles to realizing its full economic potential, it is not surprising that “personalities and institutions in Jilin have been at the forefront of advancing the notion of Tumen regional cooperation” (Cotton 1996, 1094). Indeed, as early as 1988, the provincial government argued for a special economic zone around Hunchun. Moreover, research generated in the province played an important role in the central government’s decision to seek to renegotiate China’s navigation rights on the Tumen. In addition, academics and policy analysts from Jilin played a significant role in the convening of the first conference on Northeast Asian economic cooperation that took place in Changchun city in Jilin in July 1990 (*ibid.*). Finally, Jilin had discussions with the UNDP before the project was marketed to the other states that eventually opted to participate in the TRADP.²¹ In fact, the Chinese consciously brought the UNDP onto the scene (Christoffersen 1996a, 272).

At the July 1990 conference, participants put the possibility of multinational development of the Tumen River basin on the international agenda for the first time. The next year, at a conference in Ulan Bator, Mongolia, the UNDP gave priority to the development of the Tumen River delta area. At a subsequent meeting in Pyongyang in October 1991, the UNDP proposed a two-stage development program for the Tumen area. The first stage entailed development of a small delta zone (the Tumen River Economic Zone, or TREZ) that would connect Rajin, Hunchun, and Posyet, while the second envisioned the development of a larger delta zone (the TREDelta) that would include Chongjin, Yanji, Vladivostok, and Nakhodka/Vostochny. At this meeting, the participating countries also set up the Programme Management Committee (PMC).

Jilin was crucial to policy initiation, but the UNDP was vital to policy facilitation. The UNDP’s contribution goes far beyond that of being a passive instrument of states and also that of the standard characterization of international institutions as policy initiators. For example, the UNDP acted to legitimize the Tumen project as a worthwhile objective by embracing China’s proposal for the coordinated development of the Northeast Asian region. The subsequent discussion reveals that the UNDP influenced the course of the TRADP through its involvement in interest and policy formulation, agenda setting, agreement development, negotiation, ratification, and project implementation.

The UNDP affected interest and policy formulation by providing the initial seed capital (approximately \$3.5 million) needed to pay for the cost of producing preliminary reports for the Tumen initiative. These studies were important in four ways. First, they identified the issues that needed to be addressed to bring the Tumen project to fruition. Second, they illuminated how the TRADP fit into the larger scheme of Northeast Asian economic cooperation. Third, they supplied knowledge about the feasibility of projects proposed for area ports, land transport, environmental protection, international trade, and investment promotion. Fourth, they provided information on the benefits that could be obtained through multinational cooperation.²² Even now, the UNDP continues to influence interest and policy formulation by funding or arranging for Tumen studies. For example, the Tumen secretariat recently ordered a transportation study that will highlight the area's potential transport growth, detail the advantages of various ports in the region, and fill information gaps about the Tumen area's air, shipping, road, and rail endowments (<www.tradp.org/htmls/recproj.htm>). It is important to realize that without the UNDP there would not have been any money for many (and perhaps any) of these studies, since the World Bank, specialized UN agencies, and economic heavyweights like Japan did not have the mandate or interest to fund such studies.²³

The UNDP also occupied the role of agenda setter. Profiting from its longtime presence in almost all the states in the region (the exception was Russia), its perceived neutrality, and its ability to meet with different government ministries, the UNDP went from capital to capital during the conceptualization phase of the program to promote the Tumen initiative.²⁴ Moreover, the UNDP met with Japanese officials and representatives at the U.S. Department of State to ensure that they had no objections to the project.²⁵ In this way, the UNDP ensured that these two powerful players in the political and economic dynamics of Northeast Asia did not keep the TRADP off the region's agenda. Finally, the UNDP helped to push forward those who were ambivalent about the project by creating a sense of excitement, emphasizing the project's benefits, and supporting the appropriateness of the Tumen project's timing.²⁶ According to one account, the UNDP sent Russian president Boris Yeltsin a letter to encourage Russia to participate in the project, highlighting the investment gains that Russia would derive from the project (Kouriatchev 1993, 10–11, 23).

In February 1992, the PMC held its first official meeting in Seoul. The PMC II, held nine months later in Beijing, witnessed the signing

by China, Russia, North Korea, South Korea, and Mongolia of the Tumen River Area Development Programme Document, which officially launched the TRADP. In New York in December 1995 government representatives from China, Russia, North Korea, South Korea, and Mongolia formally signed international agreements establishing the Consultative Commission for the Development of the Tumen River Economic Development Area and Northeast Asia and the Tumen River Area Development Coordinating Committee. These agreements provided a legal basis for the Tumen secretariat to manage cooperation as well as created the institutional infrastructure for the TRADP.

Jilin engaged in policy entrepreneurship throughout this period. Exploiting a State Council of China decision in February 1992 to designate Hunchun an open border city, the Jilin provincial government gave Hunchun provincial-level authority for economic management, which meant that its economic and social development plans and border trade plans were delinked from provincial plans. The purpose of both actions was to facilitate the development of the TRADP. Hunchun quickly took advantage of its new authority to sign a number of agreements with Primorskii that would facilitate the development of transportation and communication facilities within the TRED A.

In addition to building the infrastructure needed for the TRADP, Jilin officials actively promoted and publicized the project. In April 1995, for instance, at the fourth international fair in Beijing, Jilin governor Gao Yan promoted investment in the development of the Tumenjiang and stated that the development of the Tumen Jiang area was the leading project in Jilin's opening to the outside world. In July, a delegation of Chinese central government and provincial officials and UN officials swept through Hong Kong to drum up interest in the TRADP. In October, China's Ministry of Foreign Trade and Economic Cooperation, the Jilin provincial government, the Yanbian prefectural government, and the United Nations Industrial and Development Organization (UNIDO) held an international investment and business forum in Yanji that, according to press reports, attracted almost \$940 million in planned investment.²⁷

In February 1996, the Tumen secretariat began operations in Beijing; Jilin was still a policy driver. The provincial government announced that it planned to complete the construction of a link with the Trans-Siberian railway and to make additional progress on building a highway between Changchun and Hunchun. In April, Ding

Shisheng, deputy secretary-general of the Jilin provincial government and director of the office in charge of the development of the Tumen River area, noted that China planned to strengthen cooperation with Russia in developing the Tumen by opening international train service from the capital of Jilin to Vladivostok, via Hunchun and Yanji, after the joining of the Chinese and Russian railways. In March, Ding appealed to the Eighth National People's Congress for more favorable policies for the Tumen project.

In September, the Tumen secretariat collaborated with North Korea, the UNDP, and UNIDO to run a TRADP-related investment fair in Rajin-Sonbong in North Korea. The next month, the Jilin provincial government acted to liberalize the economic environment further when it gave approval to Hunchun to open the long-closed Fangchuan area, except where army units were stationed, to assist the progress of the TRADP. It also celebrated the completion of the railway linking Tumen and Hunchun with Changlingzi, where the Chinese and Russian parts of the Tumen-Makhalino railway, which gives China access to the Russian ports of Zarubino and Posyet, meet. In the beginning of the following year, China again took the lead role in moving the TRADP forward when the State Council approved the opening of a border road linking Hunchun with North Korea's Rajin-Sonbong.

In November 1997, at a meeting in Beijing, the relevant countries agreed to continue joint development of the Tumen area, signed TRADP documents for Phase II (implementation), considered a Northeast Asian Development Bank and the creation of an investment support center that would promote investment in the TREDAs, elevated the economic importance of tourism in the TREDAs, and discussed environmental protection issues. More recently, the TRADP held an investment forum in Primorskii in May 1998 and simultaneous investment forums in China and North Korea in September. In June 1999, the UNDP funded and cohosted the Conference on Economic Cooperation in Northeast Asia in Mongolia, which was attended by representatives from governments participating in the TRADP, private sector and think tank representatives, and officials from other international institutions. After the conference, the TRADP Consultative Commission and the Coordination Committee met and considered various proposals for furthering the development of the Tumen area. For instance, they considered the establishment of a Tumen regional investor service (TRIS) network, consisting of centers in the relevant countries, which would maintain

a database of potential investment projects, match investors with investment opportunities, facilitate the permit issuance and project clearance process, and help investors resolve project implementation problems (<www.tradp.org/htmls/trisnet.htm>).

My case study shows clearly that Jilin has played an important role in the initiation and development of the TRADP. First, it produced studies and analyses that highlighted the benefits to be gained from such a project, thereby playing a role in interest and policy formation as well as agenda setting. Second, it adopted economic liberalization and reform measures to support the program, which contributed to the implementation of the TRADP. Third, it actively promoted the project, thereby assuming additional agenda-setting and implementation functions. Fourth, it spent funds for the infrastructure needed for the TRADP and thus facilitated implementation of the venture. Fifth, it lobbied the center to provide funds and favorable policy measures, once again taking on responsibilities in interest and policy formulation, agenda setting, and implementation.

My case study also demonstrates that the UNDP was an important policy initiator, facilitator, and implementor. The agency affected agreement development, negotiation, and ratification in a number of different ways. For example, it served as the chair at a number of Tumen meetings, creating a perceived neutral environment in which past and current enemies such as North and South Korea, Russia and China, and China and South Korea could meet to work out TRADP agreements. In addition, UNDP officials and consultants reduced transaction costs by shuttling among the various states to relay ideas and suggestions and to help resolve difficult issues.²⁸ Furthermore, it oversaw the development of key Tumen agreements such as the 1995 accords that created the institutional and legal infrastructure for the program.²⁹

The UNDP also has been significant because of its role in policy implementation. It improved the investment climate in the region by coordinating the publication of an investment guide in 1996 and sponsoring project workshops and investment fairs (Pomfret 1998, 84). It also collaborated with UNIDO to help identify, screen, and profile investment projects; prepare publicity and promotional tools such as investment videos; and dispatch promotional missions abroad (Tumen Secretariat 1997, 5).³⁰ In 1998, it provided almost two hundred thousand dollars to fund TRADP promotion tours, to train Mongolia how to encourage foreign investment, and to identify and promote investment opportunities in Primorskii (<www.tradp.org/

htmls/recproj.htm>). Furthermore, it has aided in the staffing of the TRADP. It hired the first TRADP program manager and helped identify the individual (David Husband)—previously a UNDP consultant for the Mekong River Commission in Vietnam—who serves as the acting director of the Tumen secretariat.³¹ Finally, it acts to smooth relations, reduce misunderstandings, and promote a regional mindset (Pomfret 1998, 84).

In sum, the TRADP's birth and accomplishments to date are due to a decade of policy advocacy by Jilin and the UNDP and to the cooperation of all the major actors in the region. Despite this cooperation, not all the proposed policies have been implemented; the region has not experienced the economic takeoff hoped by TRADP's proponents. To explain this puzzle, we must look more closely at Russia's actions vis-à-vis the project.

After the end of the Cold War in East Asia, there were multiple reasons to expect the Russian Far East to embrace the TRADP as much as would Jilin. For instance, during the Cold War, the region was defense oriented, tightly controlled, and isolated, and hence unable to exploit fully its endowments (Stephan 1994, chaps. 21–25; Petro and Rubinstein 1997, 20–21, 26–27, 193–94; Blanchard 1998a, 211–12, chap. 8). These endowments included natural resources such as timber, water, diamonds, tin, gold, tungsten, and coal, as well as considerable scientific and technical expertise (Minakir 1994, chap. 2, 125–28; Kovrigin 1997; Dorian 1997). Soviet leader Mikhail Gorbachev and Russian president Yeltsin's economic and political reforms and the opening of the Sino-Russian border in 1992 reconnected the region to the outside world and gave it a chance to exploit its assets. Trade became more significant for Primorskii in its capacity as an exporter/importer but particularly in its role as a transport and transit center. Given the size of Primorskii's market and its wealth of much coveted consumer goods, it is not surprising that China quickly became Primorskii's most important international economic partner (Minakir 1994, 156–59, 174–75; Christoffersen 1996a, 278; Lukin 1998, 822).

By 1993, however, the Sino-Russian relationship along the border had begun to sour. First, the Russians began to complain about the goods that they received from Chinese private traders, which included shoddy and fake items as well as contaminated food (Christoffersen 1996a, 279; Moltz 1997, 187). Second, the Russians started to complain that the Chinese were investing too little, draining Russia of its precious natural resources, and taking advantage of the Russians, who putatively were inexperienced in capitalist ways (Lukin 1998, 823–24).

One of the most important sources of friction, though, was the influx of Chinese for trade and work. According to Russian newspapers, between three hundred thousand and one million Chinese settled in the Russian Far East in the early 1990s, though these papers probably exaggerated the true extent of Chinese settlement (Portyakov 1996, 136).³² Fearful Russians in Primorskii and other areas accused China of using economic cooperation to settle its surplus population into Russia to resolve Chinese “problems of unemployment and overpopulation” and to establish “the groundwork for future Chinese efforts to claim those Russian territories that Beijing held as previously belonging to China” (Lukin 1998, 824).

Reacting to and in some cases fueling these sentiments, Primorskii began in mid-1993 to institute restrictions on Chinese travel into Russia and on Chinese ownership and leasing of Russian property, and it imposed a daily resident tax and product inspection requirements (Christoffersen 1996a, 283; Anderson 1997, 29; Moltz 1997, 193; Lukin 1998, 826). Throughout 1994 and even when Chinese president Jiang Zemin was visiting with Yeltsin in Moscow, Primorskii used border guards, interior ministry troops, and military forces to round up illegal foreign, particularly Chinese, residents for deportation or a monetary penalty. Altogether, these restrictions reduced cooperation and caused bilateral trade to plummet (Christoffersen 1996a, 284–85, 287; Moltz 1997, 190; Rozman 1997a, 19; Lukin 1998, 826). Christoffersen (1996a, 282) observes that Primorskii saw the border as a “dike holding back millions of Chinese” and hence was in constant conflict with Moscow over how open the border should be.

In 1995, Nazdratenko added to the mix of problems bedeviling the Sino-Russian relationship when he chose to challenge the Sino-Russian border treaty of 1991. Nazdratenko said he would not give up any land to the Chinese because the three hundred hectares of land in the Khasan area to be transferred pursuant to the terms of treaty included the graves of Russian soldiers and was prime hunting and agricultural grounds. In fact, he called for the repudiation of the 1991 treaty, claiming, on top of his other charges, that the transfer of land would allow China to gain access to the sea and to build a major port on the Tumen River. This port, in turn, allegedly would kill Russian ports such as Vladivostok and Nakhodka and the area’s economy and would weaken Russia’s overall position in the Far East. Nazdratenko threatened to resign and called for a national referendum on the 1991 agreement (Hyer 1996, 93; Zinberg 1996, 81; Anderson 1997, 28–29; Lukin 1998, 826–28).

To press his case, Nazdratenko recruited regional representatives from the Joint Border Demarcation Committee (set up to determine the status of river islands), “arranged for Cossak units to be placed on disputed sections of the border and encouraged regional and federal Duma intervention” (Anderson 1997, 44). Although the Russian foreign ministry generally was unreceptive to his demands, Nazdratenko’s activities resulted in delays in the border demarcation process, a shift in the amount of land to be transferred back to China so no graves would be transferred, and the termination of discussions about the joint economic development of certain river islands (*ibid.*, 45). His actions also spurred the Chinese to make a complaint to the Russian government prior to Yeltsin’s 1996 visit to Beijing and led Yeltsin to warn that Nazdratenko was threatening the entire Sino-Russian eastern border settlement (Zinberg 1996, 80–81).

Unfortunately for the development of the TRADP, Primorskii’s maltreatment of the Chinese as well as its strenuous efforts to block the transfer of territory to China disrupted progress on the Tumen project (Christoffersen 1996a, 290; Anderson 1997, 29). Indeed, representatives from the Russian foreign ministry as well as researchers affiliated with Russian government think tanks have acknowledged that Primorskii’s behavior has constrained the progress of this multilateral economic cooperation venture (Tomikhin 1997, 94; Portyakov 1998). The TRADP case shows what a subnational actor, empowered by a facilitating domestic political structure and motivated by its borderland status, can do to disrupt multilateral economic cooperation. In theoretical terms, Primorskii was important not because of its role in interest and policy formulation, coalition building, or agreement development, amendment, and ratification, but because it could obstruct the implementation of the Tumen program.

Why did Primorskii take measures that directly and indirectly hindered the advancement of the TRADP, despite Moscow’s favorable attitude toward the project and Primorskii’s dire need for foreign trade and investment? There are five prominent reasons. First, Primorskii elites saw obstructionism, interference with Sino-Russian bilateral relations, and policies that diverged from Moscow’s as political levers to extract from Moscow additional economic benefits such as increased subsidies, reduced taxes and tariffs, higher export quotas, a greater share of customs duties, and more control of local natural resources (Kirkow and Hanson 1994, 73–81; Christoffersen 1994–95, 527–28; Alexseev and Troyakova 1999, 222–24, 228). Second, Nazdratenko’s main political supporters—industrial managers, defense

officials, local financiers, and entrepreneurs in whose companies the local government often has a controlling share interest—were worried that TRADP-related liberalization, foreign investment, and reform measures would erode their economic and political position (Kirkow and Hanson 1994, 82–83; Christoffersen 1994–95, 520–21; Burns 1995, 20–22; Rozman 1997b, 545–50; Alexseev and Troyakova 1999, 232–34). Third, Nazdratenko saw hostility to the Chinese as a means to exploit the public's sense of vulnerability to Chinese economic, demographic, and political pressures and thus to bolster his political standing (Zinberg 1996, 84; Rozman 1998, 100). Fourth, there was a real fear that the Tumen project would compete with the major ports in Primorskii as well as major Russian rail lines such as the Baikal-Amur and Trans-Siberian railways (Zabrovskaya 1995, 35–36). Fifth, patriotism and anti-Chinese racism supported opposition to multinational economic initiatives like the TRADP (Stephan 1994, 293–300).

Conclusion

The TRADP represents the first substantive multilateral economic venture in Northeast Asia since the end of the Cold War. Admittedly, its achievements are limited. It does not have the institutional richness or depth of the EU or the accomplishments of the EU or even the Association of Southeast Asian Nations. Nevertheless, it has aided the development of the region around the Tumen River delta. Furthermore, it has facilitated the cooperation of one-time adversaries in the area such as Russia and China, North Korea and South Korea, and China and South Korea. Finally, it provides a rare opportunity for dialogue among TRADP participants that does not exist in the bilateral realm, given the state of relations between various TRADP participants such as North and South Korea (<www.tradp.org/htmls/0609conf.htm>).

This chapter demonstrates that in order to understand the dynamics of the TRADP—that is, its successful initiation and constrained implementation—it is critical to take into account domestic as well as international variables. This chapter reveals, however, that a traditional state-centric view or unitary actor assumption cannot provide adequate grounds for understanding the TRADP.³³ Specifically, we need to recognize the importance of subnational actors such as regional or provincial governments as well as international institutions to explain the initiation and development of the project and its

current (relative) stagnation. Jilin, for instance, fueled the initiation and implementation of the TRADP with studies, liberalization measures, and infrastructure spending, while Primorskii obstructed its implementation by limiting cross-border interactions and raising territorial issues.

This study makes a theoretical contribution to the discipline of international relations by stipulating the conditions that create the space for such actors to affect international relations. Specifically, it confirms that domestic structure conditions when subnational entities and international institutions will be relevant. Furthermore, it highlights that a situation of complex interdependence increases the opportunities for such actors to play a consequential role in foreign affairs. Finally, it shows the relevance of borderland status in the case of subnational entities.

In addition, this chapter makes a direct contribution to the literature emphasizing domestic structure by enriching our knowledge about the factors that shape this important domestic variable. First, my discussion of China's domestic structure supports previous observations that regime type (for example, democracy or nondemocracy) does not tell us much about whether a domestic structure will intensify the importance of domestic or international pressures (Evangelista 1995; Milner 1998, 775). Second, it lends additional credence to arguments stressing the importance of informal factors for understanding domestic structure (Ripsman 2002). Specifically, the analysis of the Russian and Chinese cases underscores the significance of extraconstitutional realities such as economic ideologies of decentralization, the relative balance of capabilities between the center and its subnational units, and political logrolling between the center and its subnational units. Overall, my analysis of domestic structure suggests limits to the argument that subnational actors assume special significance when there is a *democratic federal* system such as in the United States, Australia, or Switzerland (Duchacek 1990, 2).

Summarizing a 1990 edited work on subnational actors, Hans Michelmann (1990, 313) observes, "no country-chapter author concludes that the international activities of his federation's component units [that is, a subnational actor] seriously threaten the foreign-policy prerogatives of the national government." This is hard to debate, yet it would be a mistake to conclude from this that subnational actors are irrelevant to the course of world politics. What this chapter demonstrates is that, when certain international and domestic variables are present, subnational actors and international institutions

can indeed make a difference, in both the realms of multilateral economic cooperation as well as high politics.³⁴

Notes

I would like to thank Daniel Drezner, Dimitris Stevis, the participants in the conference “The Interaction of Domestic and International Institutions”; and Norrin M. Ripsman for their helpful comments and suggestions.

1. This progress has in no way been spectacular, though the TRADP has gone much further and lasted much longer than cynics and critics expected in the early 1990s.

2. Beijing has always evidenced the most enthusiasm for the project, though its support has moderated in recent years (Blanchard 2000).

3. For elaboration on these limitations with existing theory, see the introduction to this volume as well as Caporaso 1997 and Milner 1998.

4. These accounts also fail to do justice to the role of the UNDP.

5. I define a subnational actor to be a subunit of a territorial state that has a territorially defined limit, its own areas of jurisdiction, and its own political institutions.

6. On nonstate actors as instruments of foreign policy, see Karns and Mingst 1987, 467–69, and Raustiala 1997, 726–31. These authors note *inter alia* that such entities give states information about policy options, enhance their ability to monitor the activities of other states, provide transparency about the policy process, facilitate logrolling activities, and shape international public opinion.

7. My listing certainly is not exhaustive of the potential channels through which subnational units and international institutions contribute to the dynamic of international relations. Nevertheless, these paths of influence represent some of the more significant ones.

8. These effects also are highlighted in the international regime literature (Keohane 1997, 29–30), though regimes obviously work their effects passively, *i.e.*, unless they are coupled with an international organization.

9. Leonard Schoppa (1993), who studied when American pressure on Japan was successful in producing Japanese economic policy changes, implies this possibility. Schoppa found that the Americans achieved success when they brought new groups into the policy process and thereby enlarged the universe of international bargains that Japanese negotiators could strike.

10. For an argument on the importance of considering context when studying the relationship between trade and conflict, see Blanchard and Ripsman 2001.

11. There are other permissive factors, such as the presence of complex interdependence among countries (Keohane and Nye 1989). As noted in the introduction, complex interdependence produces an incentive for international coordination or cooperation. It also creates the space for subnational

actors and international institutions to play a more consequential role in international affairs. Specifically, it empowers such entities by allowing them to provide expert knowledge, serve as coalition partners, set the agenda, shape the content of and prospects for an international agreement, and affect the implementation of international accords (Keohane and Nye 1974, 42–43, 61; Haas 1992a, 12–16; Adler and Haas 1992, 373). In addition, in a world of complex interdependence, central authorities cannot exploit the international threat situation, since it is by definition low, to privilege themselves against subnational actors.

12. A borderland is an area “whose economic and social life is directly and significantly affected by proximity to an international boundary” (Asiwaju 1994, 58).

13. When two states have hostile relations, they tend to close their border and constrain or prevent cross-border interactions. Thus, borderlands may have more interactions with distant countries than with their geographically proximate neighbors. Hence, it is very important a priori that an environment of complex interdependence exists for cross-border flows and interactions to matter. I thank Dimitris Stevis for highlighting this point.

14. Stephen Krasner (1995b, 268–69, 272–75) emphasizes the importance of the power to grant access.

15. There is no need to conduct an analysis of whether the subnational units under consideration herein are borderlands since they incontrovertibly are. Critics might argue that historic tensions along the Sino-Russian border mean that complex interdependence does not truly exist between the two countries. In actuality, though, each country sees the other as nonthreatening. Furthermore, force lacks utility as an instrument of statecraft in the bilateral relationship. This situation is the result of shared geostrategic interests, the conventional military balance, and each side’s possession of nuclear weapons (Andersen 1997, 15–20; Bilveer 1998, 495–99). Finally, as detailed later, there has been substantial development along other dimensions of the complex interdependence spectrum.

16. Admittedly, Sino-Russian economic interdependence is asymmetric, with China being a more important economic partner to Russia than Russia is to China. Nevertheless, economic relations with Russia are very important for the development of China’s relatively backward Northeast, the People’s Liberation Army’s (PLA) military modernization, and China’s refurbishment of Soviet-era industrial plants. Moreover, the Chinese view border trade, a major portion of contemporary Sino-Russian economic interactions, as a way to develop border areas, promote specialization, and open new markets (Yu Lixing 1993). I am grateful to Daniel Drezner for raising this issue. On the measurement of economic interdependence, see Blanchard and Ripsman 1996 and Blanchard and Ripsman 2001.

17. Nevertheless, the autonomy afforded by China’s domestic structure is bounded, given that the center appoints all top provincial officials, controls

the key coercive organs (e.g., military and state security agencies), maintains many levels of control over foreign economic activities, and can send specialized work teams to investigate the activities of provincial leaders (Lieberthal 1995, 317–19).

18. Gaye Christoffersen (1996a, 289) notes that many of these arguments waived restrictions on the regions' use of foreign exchange and ability to sign foreign agreements and suggests that they set a precedent for the weakening of central control over foreign trade and investment.

19. Reports suggest that Nazdratenko had close ties to Yeltsin himself, having stayed at Yeltsin's dacha and being one of several dozen informal presidential advisors (Kirkow 1998, 138–39).

20. Except as noted, this section draws upon Blanchard 1996, Blanchard 1998b, and Blanchard 2000.

21. Interview with Roy Morey, former UNDP resident representative in Beijing, 7 October 1999.

22. Interviews with Benjamin Brown, former deputy chief of the country division of the UNDP, 29 September 1999; and Roy Morey, 7 October 1999. This also is noted in Kouriathev 1993, 9–10, and Pomfret 1996, 135–36.

23. Interview with Benjamin Brown, 29 September 1999.

24. Interviews with Dr. Nay Htun, UN assistant secretary-general and UNDP assistant administrator, 6 October 1999; and Roy Morey, 7 October 1999.

25. Interview with Roy Morey, 7 October 1999.

26. Interview with Benjamin Brown, 29 September 1999.

27. This was later revised to \$600 million (Tumen Secretariat 1997, 5).

28. Interview with Dr. Nay Htun, 6 October 1999.

29. *Ibid.*

30. Dr. Nay Htun stated that it was the UNDP that asked UNIDO to become involved in the Tumen investment fair process (*ibid.*).

31. Interview with Roy Morey, 7 October 1999.

32. The true concern for the Russians probably is the fact that the population of Northeast China is approximately 110 million while the population of the Russian Far East, which consists of ten administrative subdivisions and represents 36.4 percent of Russian territory, does not top 8 million (Portyakov 1996, 132, 136, 140 n. 1).

33. In another work, I consider the interests of China's center (i.e., Beijing) to understand why it was the most enthusiastic supporter of the TRADP among all the national governments participating in the project (Blanchard 2000).

34. For a similar point, see Cameron 1995, 76–77.